

BEFORE THE  
POSTAL REGULATORY COMMISSION  
WASHINGTON, D.C. 20268-0001

*In the Matter of:*

Niagara Post Office  
Niagara, North Dakota 58266

Docket No. A2012-77

UNITED STATES POSTAL SERVICE  
COMMENTS REGARDING APPEAL  
(January 12, 2012)

On November 18, 2011, the Postal Regulatory Commission (Commission) received petitions for review from the Citizens Against the Closure of the Niagara Post Office objecting to the discontinuance of the Post Office at Niagara, North Dakota (Petitioner).<sup>1</sup> Additional petitions were received on November 23, 2011. Two additional petitions for review, both received November 29, 2011, were filed by Sandra K. Behm and Tim Krueger. The earliest postmark date is November 10, 2011. On December 2, 2011, the Commission issued Order No. 1020, its Notice and Order Accepting Appeal and Establishing Procedural Schedule under 39 U.S.C. § 404(d). In accordance with Order No. 1020, the administrative record was filed with the Commission on December 5, 2011.

The correspondence received by the Commission raises four main issues: (1) the effect on postal services, (2) the impact upon the Niagara community, (3) the economic savings expected to result from discontinuing the Niagara Post Office, and (4) the impact on employees. As reflected in the administrative record of this proceeding,

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<sup>1</sup> This discontinuance was conducted pursuant to Handbook PO-101, dated August 2004, and updated with Postal Bulletin revisions through August 2, 2007.

the Postal Service gave these issues serious consideration. Accordingly, the determination to discontinue the Niagara Post Office should be affirmed.

### **Background**

The Final Determination to Close the Niagara, ND Post Office and Extend Service by Highway Contract Route Service (FD), as well as the administrative record, indicate that the Niagara Post Office provides EAS-53 level service to 31 Post Office Box customers, and no delivery customers. FD at 2; Item No. 18, (Form 4920) Post Office Closing or Consolidation Proposal Fact Sheet ("Fact Sheet"), at 1.<sup>2</sup> The postmaster of the Niagara Post Office resigned on October 1, 2008. A non-career employee from a neighboring office was installed as the temporary officer-in-charge (OIC). Upon implementation of the final determination, the temporary OIC will be reassigned or separated.<sup>3</sup> The average number of daily retail window transactions at the Niagara Post Office is 11, accounting for 11 minutes of retail workload daily. Revenue is minimal and has been declining: \$11,384.00 in FY 2008 (30 revenue units); \$11,090.00 in FY 2009 (29 revenue units); and \$10,145.00 in FY 2010 (26 revenue units).<sup>4</sup> The Niagara Post Office has no meter or permit customers. FD at 2; Item No. 18, Fact Sheet, at 1; Item No. 41, Proposal, at 2.

Upon implementation of the final determination, delivery and retail services will be provided by rural route delivery administered by the Petersburg Post Office, an EAS-11 level office located seven miles away, which has 54 available Post Office Boxes. FD

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<sup>2</sup> In these comments, specific items in the administrative record are referred to as "Item \_\_\_\_."

<sup>3</sup> FD, at 6; Item No. 41, Proposal to Close the Niagara, ND Post Office and Extend Service by Highway Contract Route Service (Revised) ("Proposal"), at 7.

<sup>4</sup> FD, at 2; Item No. 18, Fact Sheet, at 1; Item No. 41, Proposal, at 2.

at 2; Item No. 18, Fact Sheet, at 1; Item No. 41, Proposal, at 2. This service will continue upon implementation of the FD. FD at 2.<sup>5</sup> Additionally, retail service is available at the Larimore Post Office, an EAS-15 level office located 17 miles away, which has 73 available Post Office Boxes. FD at 2; Item No. 18, Fact Sheet, at 1; Item No. 41, Proposal, at 2.<sup>6</sup>

The Postal Service followed the proper procedures which led to the posting of the FD. All issues raised by the customers of the Niagara Post Office were considered and properly addressed by the Postal Service. The Postal Service complied with all notice requirements. In addition to the posting of the Proposal and FD, customers received notice through other means. Questionnaires were distributed to delivery customers of the Niagara Post Office. Questionnaires were also available over the counter for retail customers at the Niagara Post Office. FD at 2; Item No. 20, Questionnaire Instruction Letter from P.O. Review Coordinator to OIC/Postmaster at Niagara Post Office, at 1. A letter from the Manager of Post Office Operations (Sioux Falls, SD) was also made available to postal customers, which advised customers that the Postal Service was evaluating whether the continued operation of the Niagara Post Office was warranted, and that effective and regular service could be provided through rural route delivery and retail services available at the Petersburg Post Office. The letter invited customers to

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<sup>5</sup> The Petersburg Post Office is not a candidate facility within the Retail Access Optimization Initiative (RAOI). See Docket No. N2011-1, USPS LR-N2011-1/11 Rev 1, at <http://www.prc.gov/prc-pages/library/detail.aspx?docketId=N2011-1&docketPart=Documents&docid=75971&docType=Library%20References&attrID=&attrName=>

<sup>6</sup> The Larimore Post Office is not a candidate facility within the Retail Access Optimization Initiative (RAOI). See Docket No. N2011-1, USPS LR-N2011-1/11 Rev 1, at <http://www.prc.gov/prc-pages/library/detail.aspx?docketId=N2011-1&docketPart=Documents&docid=75971&docType=Library%20References&attrID=&attrName=>

complete and return a customer questionnaire and to express their opinions about the service they were receiving and the effects of a possible change involving rural route delivery. Item No. 21, Letter to Customer, at 1. The returned customer questionnaires and Postal Service response letters appear in the administrative record in Item No. 22.

In addition, representatives from the Postal Service were available at the Niagara Fire Hall for a community meeting on June 2, 2011, to answer questions and provide information to customers. FD at 2; Item No. 21, Letter to Customer, at 1; Item No. 24, Community Meeting Roster; Item No. 25, Community Meeting Analysis; Item No. 41, Proposal, at 2. Customers received formal notice of the Proposal and FD through postings at nearby facilities. The Proposal was posted with an invitation for public comment at the Niagara, Petersburg, and Larimore Post Offices from July 25, 2011 to September 25, 2011. FD, at 2; Item No. 41, Proposal, at 2. The FD was posted at the Niagara, Petersburg, and Larimore Post Offices starting on October 24, 2011, as confirmed by the round-dated FD cover sheets that appear in the administrative record.

In light of the postmaster vacancy, minimal workload, declining office revenue,<sup>7</sup> the variety of delivery and retail options (including the convenience of rural delivery and retail service),<sup>8</sup> very little recent growth in the area,<sup>9</sup> minimal impact upon the community, and the expected financial savings,<sup>10</sup> the Postal Service issued the FD.<sup>11</sup> Regular and effective postal services will continue to be provided to the Niagara

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<sup>7</sup> See note 7 and accompanying text.

<sup>8</sup> FD, at 2-5; Item No. 41, Proposal, at 2-5.

<sup>9</sup> FD, at 2; Item No. 16, Community Survey Sheet; Item No. 41, Proposal, at 2.

<sup>10</sup> FD, at 5-6; Item No. 17, Cost Analysis; Item No. 18, Fact Sheet, at 1; Item No. 41, Proposal, at 5-7.

<sup>11</sup> FD, at 7.

community in a cost-effective manner upon implementation of the final determination.  
FD at 2.

Each of the issues raised by the Petitioners is addressed in the paragraphs which follow.

### **Effect on Postal Services**

Consistent with the mandate in 39 U.S.C. § 404(d)(2)(A)(iii) and as addressed throughout the administrative record, the Postal Service considered the effect of closing the Niagara Post Office on postal services provided to Niagara customers. The closing is premised upon providing regular and effective postal services to Niagara customers.

The Petitioner's participant statement and supporting letters raise the issue of the effect on postal services of the Niagara Post Office's closing, noting the convenience of the Niagara Post Office and the importance of the Niagara Post Office to the community. These concerns regarding the effect on postal services in Niagara were considered by the Postal Service.

The Niagara Post Office has a small workload because based on small mail volume and few window transactions at the Niagara Post Office. FD, at 2; Item No. 41, Proposal, at 2. The Postal Service determines postmaster level and Post Office service hours by analyzing the workload of a Post Office. The Niagara Post Office serves 31 Post Office Box and zero delivery customers. FD, at 2; Item No. 9, Worksheet for Calculating Workload Service Credit. The Niagara Post Office has an average number of daily retail window transactions of 11, accounting for 11 minutes of retail workload daily. Item No. 10, Window Transaction Survey. Upon the implementation of the final

determination, delivery and retail services will be provided by rural route delivery emanating from the Petersburg Post Office. The window service hours of the Petersburg Post Office are from 8:30 a.m. to 12 p.m., and 1 p.m. to 4:15 p.m., Monday through Friday, and 7:30 a.m. to 8:45 a.m. on Saturday, with 54 Post Office Boxes available for rent. FD, at 2. In addition, customers may also receive retail service from the Larimore Post Office, located 17 miles away, where window service hours are from 9:15 a.m. to 12:30 p.m. and 1:30 p.m. to 4:45 p.m., Monday through Friday, and 9:15 a.m. to 10:45 a.m. on Saturday, with 73 post office boxes available for rent. FD, at 2.

The Postal Service has considered the impact of closing the Niagara Post Office upon the provision of postal services to Niagara customers. Rural or contract delivery carriers will provide access to many retail services, alleviating the need to travel to the Post Office. FD at 2-5; Item No. 23, Postal Customer Questionnaire Analysis, at 1-2; Item No. 41, Proposal, at 2-9.

Petitioners raise additional issues relating to the provision of postal services to Niagara customers. Petitioner expresses concerns about the security of the mail. That specific concern was considered and addressed by the Postal Service. FD at 3; Item No. 41, Proposal, at 3. The Postal Service advised customers that they may place a lock on their mailboxes. The mailbox must have a slot large enough to accommodate the customer's normal daily mail volume. FD at 3; Item No. 41, Proposal, at 3. The Postal Service also sent a questionnaire to the Postal Inspection service concerning mail theft and vandalism in the suspended Post Office area. Their records indicate that there has only been one report of mail theft or vandalism in the area. Item 14 at 1.

Petitioners also express concern about senior citizens and individuals with disabilities, requiring them to travel greater distances to obtain postal services. Carrier service is beneficial to many senior citizens and those who face special challenges because it allows them to obtain some postal services without having to travel to the Post Office for service. FD at 2-4. In hardship cases or for special customer needs, special provisions can be made. *Id.*

Petitioners also express concern about obstruction of mailboxes in the wintertime due to accumulation of snow. While not directly addressed in the record, the Postal Service notes that safety of customer access is routinely considered in connection with curbside delivery. Specifically, Postal Operations Manual § 631.32 provides that “Delivery may be provided to boxes at the curb so they can be safely and conveniently served by the carrier from the carrier’s vehicle, and so that customers have reasonable and safe access. Mail receptacles may be grouped, two to a property line where possible.”

Petitioners also express concern about access to services for members of the community that lack computers and Internet access. Services are available for those customers. Stamps by Mail and Money Order Application forms are available for customer convenience, and stamps are also available at many stores and gas stations, or by calling 1-800-STAMP-24. Customers can also request special services, such as certified, registered, or Express Mail, delivery confirmation, signature confirmation, and COD from the contract carrier. FD at 2-5.

Thus, the Postal Service has properly concluded that all Niagara customers will continue to receive regular and effective service via highway contract route delivery.

### **Effect Upon the Niagara Community**

The Postal Service is obligated to consider the effect of its decision to close the Niagara Post Office upon the Niagara community. 39 U.S.C. § 404(d)(2)(A)(i). While the primary purpose of the Postal Service is to provide postal services, the statute recognizes the substantial role in community affairs often played by local Post Offices, and requires consideration of that role whenever the Postal Service proposes to close or consolidate a Post Office.

Niagara is an incorporated rural community located in Grand Forks County. The Grand Forks County Sheriff's Department provides police protection, with fire protection provided by the Niagara Volunteer Fire Department. The community is administered politically by the Niagara City Council. FD, at 5; Item No. 41, Proposal at 5. The questionnaires completed by Niagara customers indicate that, in general, the retirees, farmers, commuters, and others who reside in Niagara may travel elsewhere for other supplies and services, though there are several businesses located within Niagara. See generally FD at 5; Item No. 22, Returned customer questionnaires and Postal Service response letters; Item No. 41, Proposal at 5.



The Petitioners raise the issue of the effect of the closing of the Niagara Post Office upon the Niagara community.<sup>12</sup> This issue was extensively considered by the Postal Service, as reflected in the administrative record. FD, at 5-6; Item No. 41, Proposal at 5-6. Customers expressed a concern about the loss of the community bulletin board at the Niagara Post Office. The Postal Service explained that other retail outlets often display community bulletin boards, and that the Petersburg Post Office may have a public bulletin board which may be used to post the same information. FD, at 5; Item No. 41, Proposal, at 5.

Communities generally require regular and effective postal services and these will continue to be provided to the Niagara community. Contract carrier service is expected to be able to handle any future growth in the community. FD, at 2, Item No. 41, Proposal, at 2. Residents may continue to meet informally, socialize, and share information at the other businesses, churches and residences in town. Small towns have a history of passing on information whenever or wherever the community meets. FD, at 6; Item No. 41, Proposal, at 6.

In addition, the Postal Service has concluded that nonpostal services provided by the Niagara Post Office can be provided by the Petersburg Post Office. Government forms usually provided by the Post Office are also available by contacting local government agencies. FD at 5; Item No. 41, Proposal, at 5.

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<sup>12</sup> One Petitioner expresses concern for the loss of privileges, to include service at the local Post Office, for which veterans fought. The Postal Service deeply appreciates the men and women who have served as members of the military. As an employer of many veterans, the Postal Service will continue to strive to honor their sacrifices and their service to our country; however, it does not believe that this action in any way diminishes their service.

Thus, the Postal Service has met its burden, as set forth in 39 U.S.C. § 404(d)(2)(A)(i), by considering the effect of closing the Niagara Post Office on the community served by the Niagara Post Office.

### **Economic Savings**

Postal officials also properly considered the economic savings that would result from the proposed closing, as provided under 39 U.S.C. § 404(d)(2)(A)(iv). The Postal Service estimates that highway contract route carrier service would cost the Postal Service substantially less than maintaining the Niagara Post Office and would still provide regular and effective service. FD at 6-7, Item No. 20, Letter to Customer, at 1, Item No. 41, Proposal, at 7. The estimated annual savings associated with discontinuing the Niagara Post Office are \$23,719.00. FD at 6; Item No. 41, Proposal, at 7.

One Petitioner alludes to laws passed in history to protect rural delivery service. Pursuant to 39 U.S.C. § 404(d)(2)(A)(iii), the Postal Service, in determining whether to close a Post Office, must consider whether such closing is consistent with the policy that the Postal Service provide “a maximum degree of effective and regular postal services to rural areas, communities, and small towns where post offices are not self-sustaining.” The Postal Service's view is that the "maximum degree" obligation in section 101(b) must be read in the context of related statutory provisions. It is a directive to recognize that special consideration must be given to the greater likelihood of dependence on postal retail facilities for access to postal products and services in rural communities and small towns; however, this concern must be balanced with

Congressional mandates that the Postal Service execute its mission efficiently and economically. See sections 101(a); 403(a), (b)(1) and (b)(3); 404(d)(2) and 3661(a). Here, the Postal Service then analyzed whether a maximum degree of effective and regular postal services to the area and community could be provided with contract delivery service in the absence of the Post Office, and the answer was affirmative.

The Postal Service's estimates are supported by record evidence, in accordance with the Postal Service's statutory obligations. The Postal Service, therefore, has considered the economic savings to the Postal Service resulting from such a closing, consistent with its statutory obligations and Commission precedent. See 39 U.S.C. § 404(d)(2)(A)(iv).

### **Effect on Employees**

As documented in the record, the impact on postal employees is minimal. The postmaster resigned on October 1, 2008. A non-career employee from a neighboring office was installed as the temporary officer-in-charge (OIC). Upon implementation of the final determination, the temporary OIC will either be reassigned or terminated. The record shows that no other employee would be adversely affected by this closing. FD, at 6; Item No. 15, Post Office Survey Sheet, at 1, Item No. 41, Proposal, at 7.

Petitioners express concern about loss of employment in the community. The Postal Service understands and is sympathetic to this concern, but is also charged with responsibility to promote efficiency of operations. Consequently, this concern does not outweigh the other considerations cited in support of the FD.

Therefore, in making the determination, the Postal Service considered the effect of the closing on the employees at the Niagara Post Office, consistent with its statutory obligations. See 39 U.S.C. § 404(d)(2)(A)(ii).

### **Conclusion**

As reflected throughout the administrative record, the Postal Service has followed the proper procedures and carefully considered the effect of closing the Niagara Post Office on the provision of postal services and on the Niagara community, as well as the economic savings that would result from the proposed closing, the effect on postal employees, and other factors, consistent with the mandate of 39 U.S.C. § 404(d)(2)(A).

After taking all factors into consideration, the Postal Service determined that the advantages of discontinuance outweigh the disadvantages. In addition, the Postal Service concluded that after the discontinuance, the Postal Service will continue to provide effective and regular service to Niagara customers. FD, at 2-7, Item No. 41, Proposal, at 2-7. The Postal Service respectfully submits that this conclusion is consistent with and supported by the administrative record and is in accord with the policies stated in 39 U.S.C. § 404(d)(2)(A). The Postal Service's decision to close the Niagara Post Office should, accordingly, be affirmed.

The Postal Service respectfully requests that the determination to close the Niagara Post Office be affirmed.

Respectfully submitted,

UNITED STATES POSTAL SERVICE

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